

SUPPLEMENT

TO

MISS HOLT'S

"AUTOBIOGRAPHICAL SKETCH."

QUEBEC, JUNE, 1875.

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NOTICE

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"Autobiographical Sketch."



As Mr. E——, the gentleman to whom I entrusted my funds during my absence from this city, has given to his friends, when questioned on the subject, a statement wholly at variance with the truth in regard to his management of them, and, as will be seen from the following correspondence, he is unwilling to accept the offer (and I know not how I could make a fairer one,) which I have repeatedly made him of a settlement by arbitration, I am most reluctantly compelled, in justice to myself and the friends who have given me their sympathy, to bring forward the proofs of my own veracity in the matter.

Mr. E—— has been aware for many months past that this course would be my alternative, but he has turned a deaf ear to all the remonstrances of his friends, saying he "does not care." I have not the slightest desire to injure this gentleman,—much of the bitterness of my disappointment has passed away; but either he or I have grossly misrepresented the case, and it is not my intention to rest any longer under an imputation which I think the perusal of the annexed documents will remove from the mind of every candid reader:—

LETTER No. 1.

No. 1, Grande Allee, Quebec, March 22, 1875.

To Mr. E—,
Quebec,

SIR,

I hereby propose to you that the points in dispute between us shall be settled by the arbitration of Mrs. S—, or of Mr. M—, as you may elect.

Mrs. S— has most kindly expressed her willingness to join in such an arrangement. You have been intimate in her house since childhood, while my acquaintance with her is but of recent date. Nevertheless, I unhesitatingly pledge myself to accept her decision, knowing that it will be that of an upright, honorable and intelligent lady. Should you, however, prefer the arbitration of a man of business, I know of no one on whom both parties may with more confidence rely for impartial judgment than the gentleman I have named, and I bind myself equally to respect it. He is out of town at present, but his unvarying kindness leaves me no room to doubt his acquiescence in my proposal.

You have stated to your friends generally, that you are guiltless of all blame in the management of my affairs, having invested my funds to the best of your ability, and with a sole view to my interests.

I maintain and will undertake to prove, that you were guilty of a gross breach of trust; that you appropriated my funds to your own speculations and for your establishment in business; that you availed yourself of the power of attorney which I gave you to make me responsible to your creditors; and lastly, that, keeping me in ignorance of your loss of my money, you allowed me to continue remitting to you from Peru.

I am willing to meet you in the presence of either arbitrator, or to proceed or follow you, as you may choose.

Begging the favor of a reply at your earliest convenience.

I have the honor to be, sir,

Your most obedient servant,

C. E. H.

'This brought the following communication. Some of my friends term it "jesuitical," others "insolent," but none I think, will call it a reply.

LETTER No. 2.

Quebec, 24th March, 1875.

MY DEAR C.

Notwithstanding the formal manner in which you address me in your note of the 22nd inst., my present feelings do not prompt me to address you otherwise than as above. Your hostile action and remarks, since we last met on friendly terms have hitherto precluded me from making any advances towards a reconciliation. I hope this commencement may lead to the desired end, viz: peace and good will towards each other; but, I must say, considering the views expressed by you in your note, I am of opinion that the proposed meeting, at this stage, would not lead to any satisfactory result. You still maintain your version of the case which I dispute and the same statements and arguments on each side which have already been gone over on several occasions, would be recapitulated without any practical benefit. I may state now that my feelings towards you are of extreme sympathy* for your unfortunate position, and were I able to afford you support pecuniarily, I would unhesitatingly do so—irrespective of any rightful or legal claim you might have upon me. As to the future I can promise nothing, but should fortune favor me you will not be forgotten

I shall be glad to hear further from you, in the meantime,

I am your affectionate

E.

LETTER No. 3.

No. 1 Grande Allee,

Quebec, March 25th, 1875.

Sir,

I have the honor to acknowledge the receipt of your favor of yesterday's date.

Though your style is remarkably discursive, you have failed to make any reference to the only subject which I proposed for your consideration in my note of the 22nd inst. I can only conclude that you decline a settlement by arbitration, even of friends whom you have known from boyhood. The inference is plain.

Your statements and mine being diametrically opposed to each other, it becomes necessary for me to establish my veracity, and this I purpose doing by the evidence of your own letters and your own testimony under oath. Once

* It was, doubtless, this profound sympathy which induced Mr. E. to suggest, in conversation with another party, a few weeks later, that I should be "locked up!"—C. E. H.

more then, I renew to you the offer contained in my note of the 22nd inst.

You strangely mistake our relative positions. I am no suppliant for your charity. I simply demand restitution of the property, which in full reliance on your honor, integrity and ability, I confided to your care; and no honest man would ever dream of taking refuge under the Bankrupt Act from such claims as mine.

When I remember that on the evening of the 25th of July, 1873,—after paralysing me by the announcement of your loss of a thousand dollars of my funds in your bank speculations two years previously,—you turned within five minutes to your customary game of Bezique, while I sat by in mute despair; and that you left early the next morning on a three day's fishing excursion,—you must pardon me if I am somewhat skeptical on the subject of your "extreme sympathy in my unfortunate position"—a position for which you alone are answerable. The wrong you have done me, and the suffering you have caused me, can never be fully atoned for; but when you are prepared to acknowledge your error, and make all the reparation in your power, I shall be happy to receive you, till then

I remain your obedient servant,

C. E. H.

No answer was ever returned. More than two months have since elapsed, and I proceed to vindicate my statement. I may here mention that Mr. E— stated to Mrs. S— and has doubtless to many others, that it was *at my suggestion* that he took charge of my funds. In reply. I request a perusal of following letter which I received in Havana, about a week after date.

LETTER No. 4.

Union Bank of Lower Canada.

Quebec, 19th April, 1866.

My Dear C.

M.—has just read to me part of a letter received from you with reference to your proposed investment of funds, and as we all feel anxious that you should not run any risk of losing any part of the money you have so hard-ly earned, I have determined to write you at once and try if I cannot induce you to alter your plans and invest your funds here where you have friends to look after it, instead of putting it in the hands of total strangers. The high rate of interest which is offered to you, is of itself *suspicious*, but the fact of the stock being *at a discount* should shake your confidence in its security entirely. Such depreciated

stock is usually invested in by speculators who take advantage of the continual rise and fall in value and are as often losers as gainers by the transaction. As a *permanent investment* it is undoubtedly dangerous and I should strongly advise you not to put faith in it. On the other hand, if you are willing to take seven or eight per cent. per annum, you could not do better than send your money here to be invested in "Union Bank" stock. It is *now* to be bought at *par*, but in six months hence or perhaps sooner, it will be at a premium of 3 or 4 per cent. We will not commence active business till July, but I feel confident that by the end of the year we will have a good balance of profit. This is the new Bank in which I have lately got my appointment, but that is not the reason why I recommend it to you. I firmly believe that it will be one of the most prosperous institutions here, and Quebecers generally are of the same opinion—in fact they consider it their *duty* to support it, being sort of a national affair. Now I hope dear C. that I have said enough to convince you that by this investment you will get the *highest rate of interest consistent with security*. This is a delicate subject for me to treat on, as you may suppose I have my own interest at heart, but you may rest assured that if you put the matter in my hands and give me a power of attorney to act for you, I will do the best I can. So much for business, and I hope you will interpret this in the kindest way possible.

.....
Ever yours,

E.

It so happened—and I now look upon the circumstance as Providential—that I answered this letter on the same sheet of paper which I addressed to Mr. E's mother. She kindly preserved all my letters during my twenty years' wanderings, and they have been of great service to me in the compilation of my "Autobiographical Sketch."

— — —
LETTER No. 5.

64, Hotel del Prado, Havana.

May 10th, 1866.

Many, many thanks, dear E—, for your kind letter and friendly advice, which, believe me, I take *just as you meant it*, and thank you heartily for it. With regard to what I have invested here, I refer you to my letter to C—, but you will be as glad as he to know that I have yielded to your advice, and intend to sell out on receipt of the July dividends. Then, dear E—, if I can invest in your new Bank, at eight per cent, I shall be most happy

to do so, and certainly if it can benefit you in any way, it would be an additional inducement. It need not be "a delicate subject" for you to write about, dear E——, for no suspicion of the disinterestedness of your advice would ever enter my head. I am not suspicious by nature, thank God! much less should I be so of one of my own friends.
.....

Ever yours affectionately,

C.

In a letter which I wrote to Mr E——'s mother on the 8th December in the same year, I also addressed the following lines to him:—"On what terms could I purchase your Bank shares—must they be cash? And do you and C—— continue to think them a perfectly safe investment and sure to pay eight per cent?"

In a letter which I addressed to his mother, dated "Groton, August 16th, 1869," there occurs the following passage:—"I trust to hear to-day from E—— of the receipt of the cheque which I sent him last Monday for some \$1500, to be invested in Bank shares."

When I found, a few months later, that he had invested my money with private individuals and not in Bank shares as he proposed and I intended, it gave me no uneasiness whatever. He assured me that he had good security (he mentioned that he held a mortgage on some iron as security from a Mr. J——) and my faith in his judgment and integrity was implicit. Had he tested it by asking me to sign any paper blindfolded, I would have unhesitatingly done so. I have no copies of my letters to him, except those already given, but I have often challenged him to produce the remainder. The same tone of confiding affection and implicit trust would be found running through each, with, now and again, the expression of my reliance (unnecessary though I deemed it, in view of his denunciation of all speculation) that he would ever make *security the first consideration*. I had already learned the lesson, as my readers are aware, at the cost of several thousands in the South.

Proceeding to Peru in the fall of 1870, I recommenced remitting to Mr. E—— early in the following year, and continued doing so until the termination of my career as a teacher, with the exception of \$1051 invested in a Life Insurance Company in Lima.

LETTER No. 6.

Quebec, November 27th, 1871.

MY DEAR C.

You may notice that I have erased the (1) lithographed heading of this sheet—the reason is that I no longer belong to that institution, having quit the connection about the middle of this month.....There are to be two new Banks opened here in the spring, of one of which I have been promised the managership, but my present intention is to go into business if I can get the partnership that I expect.....I will not now, dear C—, have the same opportunities of turning it (2) over for you as I had when in the Bank. I have realized so far an average rate of ten per cent. after deducting the interest on amounts paid out. (3) I propose now to invest in a business (with which I may be connected myself) for five years and bearing interest at eight per cent. per annum, to be specially secured by the transfer to your name of certain barges, (4) which will also be insured for your account. (5)

(1) Union Bank of Lower Canada.—C. E. H.

(2) My money.—C. E. H.

(3) It will be shewn that at the date of this letter, the writer had already lost a large amount of my funds in speculation — having bought 400 shares in the Royal Canadian Bank some months previously.—C. E. H.

(4) I ascertained on the 30th July, 1873, after my return to Quebec, that the security consisted in a mortgage on a scow to the amount of two thousand, six hundred dollars, and at the same time I was made aware that my name had, by virtue of the power of attorney, been signed to a document giving Mrs. H. H. W. (a creditor of Mr. E's) a claim on that mortgage to the extent of five hundred dollars. On the 9th of August, 1873, I also saw in the office of an elder brother of Mr. E. a document, the whole of which was in the handwriting of the latter, and to which my name was attached, stating that of the four thousand three hundred dollars loaned to J. H. & Co., I declared that "two thousand, one hundred dollars really belong to Mrs. H. H. W." I made an extract from the paper then and there.—C. E. H.

(5) Having repeatedly during the first week in August, 1873, asked Mr. E— for the Insurance Policy, without success, my kind friend, Mr. A. J. M— instituted enquiries and finally ascertained that the said scow had been insured on the 7th May, 1873 in the Western Assurance Co., to the amount of two thousand, nine hundred dollars, *on account of Messrs. J. H. & Co., Agents.* There was no mention of my name whatever in the document. Thanks to my friend's interference, an assignment

I have explained the nature of the transaction to C—— and he agrees with me that it will be as safe and profitable an investment as you can make, *with my personal guarantee* which I am willing to give. The money you must bear in mind is not to be used in the business to be subject to the uncertainty of trade, but is to be specially secured as mentioned above, and as I will have control of the property for you, I have no hesitation in recommending it. (6) It is impossible to make a *permanent* investment now at a better rate than eight per cent. *with good security*. I intend to invest H——'s money in the same way, if she is agreeable—in fact, it will require your's and her's together to enable me to make the investment, as I doubt if I can arrange for a smaller amount. I do not intend, dear C——, to run any risk (beyond what there is in all human affairs) with your money. If it were to be used in business altogether on personal security it would be worth more, but then you might lose the principal, and I think it has been earned too dearly to be trifled with. Please let me know by *return mail* if you consent to this, as if it is to be done at all, it must be done quickly. I am sorry that you lose so much on your remittances to me (about 27½ per cent) but I do not see any way in which you could remit more profitably; if you keep your money in Lima until you return with it yourself, I think you would still lose the same percentage when you withdraw it.

Your affectionate

E.

This letter reached me without delay, and an answer in the negative from both parties concerned, was returned by the steamer which left on the following day, but the investment was evidently so exceptionally favorable in Mr. E's opinion, that his devotion to our interests determined

of two thousand, five hundred dollars of the Insurance Policy was made to me on the 6th of August, 1873.—C.E.H.

(6) At the examination of the Insolvent, Mr. E——, under oath at the office of the Assignee early in the following year, I put this question to him—viz: "Was it solely with a view to *my* interests that you entered into the arrangement without awaiting my answer?" Mr. E—— replied "I believe it was solely for your interests." I then asked him "Did you believe it a better investment for me than Bank stock or real estate?" He answered "I thought it was, considering it was for a term of years, and that ten per cent of the principal was to be repaid annually." What amount of truth lies in these replies, I leave for the decision of any man of business.—C.E.H.

him not to wait for the reply for which he had asked. At the time, however I never doubted the reasons which he gave me in his next letter for the precipitancy with which he had acted. My faith remained unshaken, and after making the investment already alluded to in the Life Assurance Co. in Lima, I recontinued my remittances to Quebec, (*where I had friends to look after them!*) to the end of my stay in Peru. (*See Letter No. 4.*)

Besides the Deed of Assignment dated Jan. 16th, 1873, making me responsible to Mrs. H. H. W. for the sum of Five Hundred Dollars, secured on my mortgage on the Scow, I noticed on the Custom House Register of that vessel (a document apparently of some importance, as it was written on parchment) an endorsement *making over my entire claim* to Mrs. H. H. W.—not even limiting it to the five hundred dollars! When this was pointed out to Mr. E. he said it was “a mistake of no consequence.” My good friend, Mr. A. J. M. however, seemed to be of a different opinion, and took immediate measures for the correction of a “mistake” of six months’ standing. It would be wearisome to enter into the details of the little fiction by which Mr. E—endeavored to account for the Five Hundred Dollar claim for which he had tried to make me responsible to Mrs. H. H. W. That it was entirely spurious is shewn by the fact that her attorney withdrew it, by a deed of re-assignment dated June 9th, 1874, a copy of which is in my possession, as well as of all letters, papers and documents alluded to in this supplement, with the exception of the Custom House Register, which belongs to the present owner of the Scow, and is, I presume, in his keeping. I shall be happy to submit all or any of these papers to the inspection of any one so desiring it.

I will now add some of the questions which I had prepared in writing, and put to Mr. E— personally at the examination of the Insolvent, under oath, at the office of the Assignee in the month of March, 1874; and the answers which he gave to each. I took them down in writing at the time, and the Assignee’s clerk also registered several of the questions and answers at my request:—

Ques. At what date did your partnership with Mr. J— commence?

Ans. I think in April 1872; it is registered in the Court House.

Ques. What amount of capital did you put into the business?

Ans. I put no specified amount.

Ques. How much of it belonged to you personally?

Ans. None.

Ques. What amount did Mr. J—— bring into the firm?

Ans. Whatever his business was worth.

Ques. Having written to ask my consent to the investment, why did you not await my reply?

Ans. I did not consider that it was essential to await your consent, because I held a power of Attorney from you to use your money as I thought best, and the nature of the investment contemplated, rendered it necessary to decide before receiving an answer.

(Here follow the two questions and answers already recorded in the note referring to Letter No. 6:—

Ques. Why did you invest Mrs. H. H. W.'s money in your firm in my name without asking my consent or her's?

Ans. It was more convenient at that time to have the money in one name.

Ques. Why, and by what right, did you sign my name to a document, dated Dec. 23rd 1872, declaring that of the \$4300 loaned to J. H. & Co. "\$2200 really belonged to Mrs. H. H. W.?"

Ans. I don't recollect any such document.

Ques. Did you not believe that when I gave you a Power of Attorney on my departure for Peru in 1870, I did so solely with a view to the security of my own interests?

Ans. Yes, and with a view to get as much interest for your money as possible.

Ques. Did I not give you reason to believe that my faith in your integrity and judgment was implicit?

Ans. I think you did.

Ques. Shortly before my departure from Quebec in 1870, did I not place my sealed Will in your hands, telling you to "take care of it, as it concerned you more than anybody else?"

Ans. I don't remember; I think you did.

Ques. When did your speculation in the Royal Canadian Bank stock take place?

Ans. I believe in 1871.

Ques. Did you not tell me on the 25th July, 1873 that you had lost a thousand dollars of my money in that speculation?

Ans. I can't remember what I told you at that date.

Ques. Was the money you used in that speculation your's or mine?

Ans. I kept your funds in my name at that time I believe.

Ques. Did you speculate in my name or your's?

Ans. In my own name.

Ques. Did you not know that I gave you the Power of Attorney to invest my money in my name and not in yours?

Ans. No, I don't think I did know it; the Power of Attorney explains itself.

Ques. You wrote to me Nov. 27th 1871, "I think your money has been too dearly earned to trifle with" also "I do not intend to run any risk (beyond what there is in all human affairs) with your money." How do you reconcile this assurance with your disposition of my funds?

Ans. I was disappointed.

Ques. Why was I not informed of your loss of my money at the time it occurred?

Ans. I did not think it necessary to advise you then.

I have stated my case. On which side truth and justice lie, I leave to the decision of my readers.

C. E. H.

No. 1 Grande Allee, Quebec.

June 15th, 1875.

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